

## Assembly Bill No. 14

### CHAPTER 13

An act to add Section 100.05 to the Revenue and Taxation Code, relating to local government finance, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 28, 2009. Filed with  
Secretary of State July 28, 2009.]

#### LEGISLATIVE COUNSEL'S DIGEST

AB 14, Committee on Budget. Property tax revenue allocations.

Existing property tax law requires the county auditor, in each fiscal year, to allocate property tax revenue among local jurisdictions in accordance with specified formulas and procedures, and generally requires that each jurisdiction be allocated an amount equal to the total of the amount of revenue allocated to that jurisdiction in the prior fiscal year, subject to certain modifications, and that jurisdiction's portion of the annual tax increment, as defined.

The California Constitution prohibits the Legislature from enacting a statute that modifies the manner of apportioning ad valorem property tax revenues so as to reduce the percentage of the total amount of countrywide ad valorem property tax revenues that is allocated among local agencies, as defined, in a county below the percentage that these agencies would receive under the law in effect on the operative date of that prohibition. The California Constitution authorizes the suspension of that prohibition for a fiscal year, if certain conditions are met.

This bill would suspend that prohibition for the 2009–10 fiscal year.

The California Constitution authorizes the Governor to declare a fiscal emergency and to call the Legislature into special session for that purpose. The Governor issued a proclamation declaring a fiscal emergency, and calling a special session for this purpose, on July 1, 2009.

This bill would state that it addresses the fiscal emergency declared by the Governor by proclamation issued on July 1, 2009, pursuant to the California Constitution.

This bill would declare that it is to take effect immediately as an urgency statute.

*The people of the State of California do enact as follows:*

SECTION 1. Section 100.05 is added to the Revenue and Taxation Code, to read:

100.05. Subparagraph (A) of paragraph (1) of subdivision (a) of Section 25.5 of Article XIII of the California Constitution is hereby suspended for the 2009–10 fiscal year.

SEC. 2. This act addresses the fiscal emergency declared by the Governor by proclamation on July 1, 2009, pursuant to subdivision (f) of Section 10 of Article IV of the California Constitution.

SEC. 3. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to address the current severe state fiscal hardship, it is necessary that this act go into immediate effect.

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